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factor in its production" (pp. 64 and 65). Despite this scientific explanation of rising prices, the author proceeds in this ninth chapter to deal with the establishment of public markets, chain stores, coöperative stores, and like proposals, as means to reduce the cost of living, seemingly overlooking, for this part of his work, the fact that such means could be applied quite as desirably in an era of falling prices as in one of rising prices.

There are chapters on the facts of rising prices (ch. 1), upon the theory of price making and the quantity theory of money (chs. 2-5) and upon various alleged causes of rising prices, such as rising standards of living (ch. 3), exhausting resources, tariff, trusts, cold storage, and middlemen (chs. 7, 8, 9). More complete analysis here would call for treatment of such other alleged causes as increase of population, trade union activities, speculation, and excessive transportation charges. The discontent due to low prices is dealt with in chapter 10 and that due to high prices in chapter 11. These two chapters show us that hard times wails are always with us—the wails of depressed industry and trade when prices fall and the wails of those who "feel the pinch of prosperity" (p. 115) when generally rising prices levy upon incomes which are fixed or which rise tardily. Chapter 12 discusses The Multiple Standard and the Compensated Dollar, definitely rejecting Professor Irving Fisher's proposal. "We must cling to the security and the simplicity of the present system rather than grasp at a theoretical perfection" (p. 141).

In style this manual is clear and simple. It is of convenient pocket size. It is neatly bound in cloth and is clearly typed. Only one typographical error was noted—"reputation" on page 30, line 6, should read "refutation." The volume has no index. A mere list of fourteen brief chapter headings, given as the table of contents, is an altogether unsatisfactory guide to 162 pages packed with information and judgments.

WALTER E. CLARK.

*The College of the City of New York.*

*The Cost of Living.* By WALTER E. CLARK. (Chicago: A. C. McClurg and Company. 1915. Pp. 168. \$0.50.)

Professor Clark has undertaken to present in popular form the facts about rising prices with due care as to accuracy of statement. Limitations of space obviously prohibit any comprehensive discussion, but an endeavor has been made to include all the

important aspects. The problem of higher prices arises from the fact that in the past eighteen years general wholesale prices have risen some 35 per cent, general retail prices probably over 50 per cent, while the prevailing interest rates have risen 20 to 25 per cent. These increases have taken place in practically all countries of the world. The causes, the effects, and the remedies of this price movement form the subdivisions of the book.

The causes of this rise are classed as: (1) supply causes—exhausting natural resources, retailer's profits, adulterated goods, cold storage, labor unions, excessive transportation rates, tariff and trusts; and (2) demand causes—increasing population and immigration, speculation, extravagance and waste, rising standard of living, and increasing gold supply. The author finds that some of these causes have practically nothing to do with higher prices, others may have had temporary or local effects on prices, but on the whole the increasing gold supply is the only cause which has operated everywhere, affecting all marketed commodities and which is ample to explain the steady and general upward trend of prices.

After a long period of rising prices business generally is stimulated while debtors and owning producers secure a distinct advantage. On the other hand, the rise affects unfavorably the creditor class, wage-earners, salaried persons, and those receiving fixed incomes. Also it causes interest rates to rise, diminishes the severity and duration of crises, and, finally, it stimulates social reconstruction.

The so-called remedies for rising prices do not appeal to the author: changing from gold to some other money medium is altogether superficial and unconvincing; doing away with primary money and using fiat money would mean disaster; compelling all business settlements to be made directly in gold amounts would be cutting off an arm to cure a hangnail; Professor Fisher's plan of a compensated dollar would mean making even gold coins a token money; limiting the world's annual production of gold by government action would meet with considerable difficulties, though this plan seems to be the one method open to control the course of prices without bringing a host of ills in its trail. The author concludes that before any nation is justified in resorting to any artificial means for preventing a general price rise, it needs to be established (a) that generally rising prices cause much more bad than good; and (b) that general prices will

continue to rise considerably for a long time, thus continuously increasing the excess of their bad over their good effects. These facts have not been established.

One closes the reading of the book with the impression that the author has overemphasized the advantages of rising prices. It is true that attention is called to certain unfortunate effects of constantly rising prices, but very little space is devoted to this phase of the subject in comparison with the stress laid on the many benefits derived from the increase. The difficulties connected with the making of a long term business contract during a period of increasing prices, for instance, are not mentioned; there is no specific mention of the elementary fact that fairly level prices are necessary to a just distribution of wealth. On the whole, however, the author has covered his subject in an interesting manner; the style is readable and even lively at times; a comparison of a few of the statistical statements with the original sources showed them to be accurate; the subject-matter is conveniently arranged in chapters and sections; there is a good index and an adequate bibliography.

H. J. HARRIS.

*Washington, D. C.*

*A History of Banking and Currency in Ohio before the Civil War.*

By CHARLES CLIFFORD HUNTINGTON. Ohio Archaeological and Historical Quarterly, Vol. XXIV, No. 3. (Columbus: Ohio Archaeological and Historical Publications. 1915. Pp. 312.)

The state laws, documents, and reports have been chiefly drawn upon for the materials of this study, together with the newspapers of the time. Except for the early period, secondary authorities in this field are either lacking or untrustworthy, and are seldom quoted. This monograph is the latest addition to the considerable volume of material being gathered and published under the auspices of the Carnegie Institution on the economic history of the United States, and is one of the most authoritative studies yet published.

The book is divided into two parts, the first dealing with banking as carried on under special charters, which continued from 1803 to 1843, and the second treating banking under general laws, between 1843 and 1863. After the latter date the state bank was wound up (in 1866) and most of the other banks